TECHNICAL BASIS FOR TIER I OPERATING PERMIT

DATE: December 3, 2002

PERMIT WRITER: Darrin Mehr

PERMIT COORDINATOR: Bill Rogers

SUBJECT: AIRS Facility No. 069-00003, Potlatch Corp. – Clearwater Wood Products, Lewiston Final Tier I Operating Permit

Permittee:	Potlatch Corp., (Clearwater Wood Products) Lewiston, Idaho
Permit No.:	069-00003
Air Quality Control Region:	62
AIRS Facility Classification:	A
Standard Industrial Classification:	2421
Zone:	11
UTM Coordinates:	418.5,2890.0
Facility Mailing Address:	805 Mill Road
County:	Nez Perce
Facility Contact Name and Title:	James Miller, Environmental Coordinator
Contact Name Phone Number:	(208) 799-1797
Responsible Official Name and Title:	Bill Highsmith, Plant Manager
Exact plant Location:	Southwest 1/4 Section 28 and Northwest 1/4 Section 33, Township 36 North, Range 5 West
General Nature of Business & Kinds of Products:	Dimensional lumber manufacturing - trim board, wood-by-products

TABLE OF CONTENTS

ACRONYMS, UNITS, AND CHEMICAL NOMENCLATURE

acfm	actual cubic feet per minute
AFS	AIRS Facility Subsystem
AIRS	Aerometric Information Retrieval System
CFR	Code of Federal Regulations
CO	carbon monoxide
DEQ	Department of Environmental Quality
EPA	U.S. Environmental Protection Agency
ft	feet or foot
HAPs	hazardous air pollutants
IDAPA	a numbering designation for all administrative rules in Idaho promulgated in accordance with the Idaho Administrative Procedures Act
km	kilometer
lb/hr	pound per hour
MACT	Maximum Achievable Control Technology
NAAQS	National Ambient Air Quality Standards
NESHAP	National Emission Standards for Hazardous Air Pollutants
NSPS	New Source Performance Standards
NO_X	nitrogen oxides
NSPS	New Source Performance Standards
PM	particulate matter
PM_{10}	particulate matter with an aerodynamic diameter less than or equal to a nominal 10 micrometers
PSD	prevention of significant deterioration
SIP	State Implementation Plan
SO_2	sulfur dioxide
SO_x	sulfur oxides
T/yr	tons per year
VOC	volatile organic compound

PUBLIC COMMENT / AFFECTED STATES/EPA REVIEW SUMMARY

A 30-day public comment period for Potlatch Clearwater's draft Tier I operating permit was provided as required by IDAPA 58.01.01.364 (*Rules for the Control of Air Pollution in Idaho*). The comment period ran from August 5, through September 4, 2002. A public hearing was held on September 3, 2002.

IDAPA 58.01.01.008.01 defines affected states as: *"All states: whose air quality may be affected by the emissions of the Tier I source and that are contiguous to Idaho; or that are within fifty (50) miles of the Tier I source."*

A review of the site location information included in the permit application indicates that the facility is located within 50 miles of two state borders. Therefore, Oregon and Washington were provided copies of the public comment package.

Summary of Comments

No comments were received from any affected state.

Comments were received from the following: Richard Artley, Grangeville, Idaho; Mark Solomon, Moscow, Idaho; and Potlatch Corporation's Clearwater Wood Products, Lewiston, Idaho.

A hearing was held in Lewiston on September 3, 2002. No public testimony was provided.

Responses to comments are provided in Appendix B of this memorandum.

Proposed Permit

A proposed permit was developed based on comments submitted during the public comment period. The proposed permit was forwarded to EPA Region 10 for their review. The EPA provided no written objection to the permit.

1. PURPOSE

The purpose of this memorandum is to explain the legal and factual basis for this Tier I operating permit in accordance with IDAPA 58.01.01.362.

DEQ has reviewed the information provided by the Potlatch Corp. (Potlatch) regarding the operation of their lumber facility located near Lewiston. The source is referred to as Clearwater Wood Products (Clearwater). This information was submitted based on the requirements of the Tier I permit in accordance with IDAPA 58.01.01.300.

Based on the information submitted, DEQ drafted a Tier I permit for the Potlatch Clearwater facility. The permit was submitted for facility review and was provided for public comment and a public hearing. A proposed permit was developed based upon substantive public comment. The proposed permit was forwarded to the EPA for their review in accordance with IDAPA 58.01.01.366. The EPA provided no written objection to the permit.

2. SUMMARY OF EVENTS

On May 26, 1995, DEQ received a Tier I operating permit application from Potlatch's Clearwater facility. At that time, the facility qualified as a major source. On February 6, 1997, the Clearwater facility was determined to be a separate facility. As a result of this decision, Potlatch submitted a Tier II operating permit application to DEQ on January 8, 1999, to make the Clearwater facility a synthetic minor facility and avoid Title V permitting requirements. On February 10, 1999, DEQ received supplemental information from the facility. The application was then deemed complete on March 9, 1999.

On June 11, 2002, Potlatch notified DEQ that the Clearwater facility is subject to major facility Tier I permitting requirements due to the facility's potential to emit HAPs. Potlatch Clearwater is a major facility, in part, due to the potential to emit methanol—an individual HAP—in a quantity greater than 10 T/yr, in accordance with IDAPA 58.01.01.008.10.a.i. The permittee also stated that the Clearwater facility will not pursue obtaining a Tier II synthetic minor permit.

3. BASIS OF THE ANALYSIS

The following documents were relied upon in preparing this memorandum and the Tier I operating permit:

- Tier I air operating permit application, (May 26, 1995, Potlatch Corp.-Clearwater Wood Products, Lewiston, Idaho).
- Tier I application updates, dated March 12, 1998.
- Tier II operating permit application materials incorporated by responsible official-certified request, dated May 21, 2001, June 11, 2001, and June 13, 2002.
- Small-scale Kiln Study "Utilizing Ponderosa Pine, Lodgepole Pine, White Fir, and Douglas Fir, Report to Intermountain Forest Association" by Michael R. Milota, Department of Forest Products, Oregon State University, September 29, 2000.
- Compilation of Air Pollutant Emission Factors, AP-42, Fifth Edition, Office of Air Quality Planning and Standards, EPA.
- Guidance developed by the EPA and DEQ.
- Title V permits issued by DEQ for similar sources.

- Documents and procedures developed in the Title V Pilot Operating Permit Program.
- Public comments received during the public comment period.

4. FACILITY DESCRIPTION

General Process Description

A detailed process description can be found in the facility's May 26, 1995 Tier I operating permit application, beginning on page 2-1, and in the document incorporated by reference as part of the Tier I operating permit application dated January 8, 1999.

The facility can be split into the following organizational divisions:

Log Preparation and Sawmill

Logs are processed from a raw log state to a green board lumber. The sawmill prepares rough dimensional and board lumber for processing in the drying kilns. The log preparation process consists of debarkers and initial cutoff saws. The headrig, sharp chain, edge optimizers, rotary band saw, rotary gang saw, quad saw, two trimmer saws, reman unit, two sorters, and two stackers are associated with the sawmill. The permittee has amended the application to reflect that the chipping plant used to process whole logs into wood chips has been disabled and will not be put back into production in the foreseeable future. Therefore, the chip plant is not covered by this Title V permit.

Applicability of either IDAPA 58.01.01.701 or IDAPA 58.01.01.702 is based on the installation date of the process cyclone, process baghouse, and other process equipment. Particulate matter is emitted from the process cyclones and baghouses.

Lumber Drying

The lumber drying kilns are identified as CW-KV-1. Particulate matter, PM_{10}, VOC, formaldehyde, and methanol are emitted from the kiln vents. Formaldehyde and methanol are HAPs.

Surfacing Department (Planing)

The kiln-dried lumber is planed in the Surfacing Department. Particulate matter and PM_{10} emissions are created during the planing process. Emissions points include the chip conveyor belt from Clearwater to Pulp and Paper Division's chip stockpile. The Pulp and Paper Divisions is an adjoining facility. The conveyor belt is a source of fugitive emissions. The other emissions points include process cyclones CW-CY-18, CW-CY-24, and CW-CY-25, and process baghouses CW-BH-1, CW-BH-2, and CW-BH-3. The baghouses serve as material collection units for cyclones 18 and 24, and the three planers.

Lewiston Cedar Products

Lewiston Cedar Products is made up of two individual departments formerly titled the Profiling Department and the Specialties Department.

Lewiston Cedar Products manufactures trim molding. The process units consist of profilers 4, 5, 6, and 7, for shaping the molding, and 8 resawing saws 1, 2, 3, and 8, for sizing the molding. Process shavings and sawdust are routed to process baghouses CW-BH-4, CW-BH-5, CW-BH-6, and CW-BH-7.

Lewiston Cedar Products also utilizes small pieces of wood, cuts finger joints in each piece, and glues them together to make molding. This product line is made from lumber purchased from outside sources or lumber from the surfacing department. The process equipment to make finger jointed molding consists of planer 12, planer 15, Grecon saw line, Nu-Loc finger jointer, molder, edge gluer, rip saw, and sander 14. (The molder is a source of PM emissions and the edge gluer is a source of VOC emissions.) Process sawdust, shavings, trimmings, and sander dust are conveyed to process baghouses CW-BH-4, CW-BH-5, CW-BH-6, and CW-BH-7.

Diesel-fired Emergency Fire Water Pumps and Electrical Generator

The five emergency water pump engines and one emergency electrical generator engines are diesel-fired, internal-combustion engines used to provide mechanical power in case of a fire or power line outages. The water pump engines are rated at 170 horsepower. The generator engine is rated at 125 horsepower. All of the engines are tested for approximately one hour per week.

Facility Classification

The facility is classified as a major facility in accordance with IDAPA 58.01.01.008.10 for Tier I permitting purposes because the facility has the PTE VOCs in excess of 100 T/yr, and methanol in excess of 10 T/yr. The facility is not currently subject to any promulgated NESHAP requirements, in accordance with 40 CFR 61; or NESHAP for Source Categories MACT, in accordance with 40 CFR 63. The facility may be subject to requirements of 40 CFR 63, Subpart DDDD, *Wood Products MACT*, upon promulgation of that MACT. The Standard Industrial Classification defining the facility is 2421. The AFS classification is A.

Area Classification

The facility is located in Air Quality Control Region 62 and is in Nez Perce County, which is unclassifiable for all state and federal criteria air pollutants (ie., SO_2, No_x, CO, PM_{10}, O_3, and Pb). There are no Class I areas within 10 km of the facility.

Permitting History

The following information was derived from a review of the source file. Additional information was provided by Potlatch during the permit application review process. The following documentation is intended for information use only:

August 7, 1974	Idaho Department of Health and Welfare received a letter from Potlatch, dated August 6, 1974. The letter consisted of a notice of the intent to submit a PTC application for a particleboard plant at the Lewiston complex.
No Date Stamp	IDHW received a PTC application for a particleboard plant at the Lewiston Complex.
July 5, 1979	The Clearwater facility was issued an operating permit by DEQ.
January 1, 1984	The July 4, 1979 operating permit expired.
August 22, 1984	The Clearwater facility was issued Operating Permit No. 1140-0001. The permit includes the emissions units and operations for the Clearwater Wood Products Division, Pulp and Paper Division, Consumer Products Division, a plystran mill, and a plywood mill. The plystran and plywood mills have been shut down and dismantled.
August 22, 1989	Operating Permit No. 1140-0001 expired. The facility continued to operate under the permit as authorized by DEQ.

March 25, 1996	DEQ received a submittal dated March 21, 1996. The submittal consisted of a PTC Category I Exemption for the replacement of a 500 lineal foot per minute planer with a 1,250 lineal foot per minute planer.
August 9, 1996	DEQ received a letter dated August 5, 1996. The letter was from Potlatch's legal counsel to Idaho Attorney General's Office, legal counsel for DEQ. The letter stated that the Clearwater Wood Products Division constituted an individual facility and that the Pulp and Paper Division and Consumer Products Division constitute a wholly separate facility.
February 6, 1997	The Clearwater facility was determined to be a separate facility.
January 8, 1999	Potlatch submitted a Tier II operating permit application to DEQ to make the Clearwater facility a synthetic minor facility to exempt the facility from Title V permitting.
February 10, 1999	DEQ received supplemental information from the facility.
March 9, 1999	The Tier II permit application was declared complete.
April 1999	Prior to issuing a final proposed action on the January 8, 1999 Tier II operating permit application, Potlatch and DEQ agreed that the relevant requirements of Operating Permit No. 1140-0001 should be included in this Tier II operating permit. Several timeline extensions were requested and granted during the period where Potlatch gathered additional information concerning the Clearwater facility and developed formal permit application submittals.
May 16, 2000	A public comment period was initiated for Tier II Operating Permit No. 069-00003.
September 22, 2000	DEQ notified Potlatch that issuance of Tier II Operating Permit No. 069-00003 would be delayed pending a facility-wide NAAQS compliance demonstration.
April 27, 2001	DEQ received a submittal dated April 20, 2001, from Potlatch Clearwater consisting of a PM_{10} NAAQS demonstration.
June 27, 2001	DEQ notified Potlatch Clearwater that a revised PM_{10} NAAQS analysis including the adjacent facility would be required. The adjacent facility consists of Potlatch's Pulp and Paper Division and Consumer Products Division.
June 11, 2002	Potlatch notified DEQ that the facility would no longer pursue obtaining a Tier II operating permit and will obtain a Tier I operating permit.
June 13, 2002	Potlatch amended the Tier I operating permit application with previously submitted Tier II operating permit materials.
July 8, 2002	DEQ e-mailed Potlatch a copy of the pre-draft Tier I permit and technical memorandum for review and comment.
July 11, 2002	Potlatch submitted comments on the pre-draft Tier operating permit and technical memorandum by email.
August 5, 2002	A public comment period and affected states review period for the Tier I operating permit and technical memorandum.

September 3, 2002	A public hearing was held in Lewiston, Idaho.
September 4, 2002	The public comment and affected states review periods ended.

5. REGULATORY ANALYSIS - FACILITY-WIDE CONDITIONS

Facility-wide Applicable Requirements

5.1 Fugitive Particulate Matter - IDAPA 58.01.01.650-651

5.1.1 Requirement

Permit Condition 2.1 states that all reasonable precautions shall be taken to prevent PM from becoming airborne in accordance with IDAPA 58.01.01.650-651.

5.1.2 Compliance Demonstration

Permit Condition 2.2 states that the permittee is required to monitor and maintain records of the frequency and the methods used by the facility to reasonably control fugitive emissions. IDAPA 58.01.01.651 gives some examples of ways to reasonably control fugitive emissions(e.g., using water or chemicals, applying dust suppressants, using control equipment, covering trucks, paving roads or parking areas, and removing materials from streets.

Permit Condition 2.3 requires that the permittee maintain a record of all fugitive dust complaints received. In addition, the permittee is required to take appropriate corrective action as expeditiously as practicable after valid complaint is received. The permittee is also required to maintain records that include the date each complaint was received, a description of the complaint, the permittee's assessment of the validity of the complaint, any corrective action taken, and the date the corrective action was taken.

To ensure that the methods being used by the permittee reasonably control fugitive PM emissions, whether or not a complaint is received, Permit Condition 2.4 requires that the permittee conduct periodic inspections of the facility. The permittee is required to inspect potential sources of fugitive emissions during daylight hours and under normal operating conditions. If the permittee determines that the fugitive emissions are not being reasonably controlled, the permittee shall take corrective action as expeditiously as practicable. The permittee is also required to maintain records of the results of each fugitive emissions inspection.

Both Permit Conditions 2.3 and 2.4 require the permittee to take corrective action as expeditiously as practicable. In general, DEQ believes that taking corrective action within 24 hours of receiving a valid complaint or determining that fugitive particulate emissions are not being reasonably controlled meets the intent of this requirement. However, it is understood that, depending on the circumstances, immediate action or a longer time period may be necessary.

5.2 Control of Odors - IDAPA 58.01.01.775-776

5.2.1 Requirement

Permit Condition 2.5 and IDAPA 58.01.01.776 both state: "*No person shall allow, suffer, cause or permit the emissions of odorous gases, liquids or solids to the atmosphere in such quantities as to cause air pollution.*" This condition is currently considered federally enforceable until such time it is removed from the SIP, at which time it will be a state-only enforceable requirement.

5.2.2 Compliance Demonstration

Permit Condition 2.6 requires the permittee to maintain records of all odor complaints received. If the complaint has merit, the permittee is required to take appropriate corrective action as expeditiously as practicable. The records are required to contain the date each complaint was received, and a description of the complaint, the permittee's assessment of the validity of the complaint, any corrective action taken, and the date the corrective action was taken.

Permit Condition 2.6 requires the permittee to take corrective action as expeditiously as practicable. In general, DEQ believes that taking corrective action within 24 hours of receiving a valid odor complaint meets the intent of this requirement. However, it is understood that, depending on the circumstances, immediate action or a longer time period may be necessary.

5.3 Visible Emissions - IDAPA 58.01.01.625

5.3.1 Requirement

Permit Condition 2.7 and IDAPA 58.01.01.625 state: "*No person shall discharge any air pollutant to the atmosphere from any point of emissions for a period or periods aggregating more than three minutes in any 60-minute period which is greater than 20% opacity as determined by IDAPA 58.01.01.625.*" This provision does not apply when the presence of uncombined water, NO_x, and/or chlorine gas is the only reason for the failure of the emissions to comply with the requirements of this rule.

5.3.2 Compliance Demonstration

To ensure reasonable compliance with the visible emissions rule, Permit Condition 2.8 requires that the permittee conduct routine visible emissions inspections of the facility. The permittee is required to inspect potential sources of visible emissions during daylight hours and under normal operating conditions. The visible emissions inspection consists of a see/no see evaluation for each potential source of visible emissions. If any visible emissions are present from any point of emissions covered by this section, the permittee must take appropriate corrective action as expeditiously as practicable, or perform a Method 9 opacity test in accordance with 40 CFR 60, Appendix A. If opacity is determined to be greater than 20% for a period or periods aggregating more than three minutes in any 60-minute period, the permittee must take corrective action and report the exceedance in its annual compliance certification and in accordance with the excess emissions rules in IDAPA 58.01.01.130-136. The permittee is also required to maintain records of the results of each visible emissions inspection, which must include the date of each inspection, a description of the permittee's assessment of the conditions existing at the time visible emissions are present, any corrective action taken in response to the visible emissions, and the date corrective action was taken.

It should be noted that if a specific emissions unit has a specific compliance demonstration method for visible emissions that differs from Permit Condition 2.8, then the specific compliance demonstration method overrides the requirement of Permit Condition 2.8. Permit Condition 2.8 is intended for small sources that would generally not have any visible emissions.

Permit Condition 2.8 requires the permittee to take corrective action as expeditiously as practicable. In general, DEQ believes that taking corrective action within 24 hours of discovering visible emissions meets the intent of this requirement. However, it is understood that, depending on the circumstances, immediate action or a longer time period may be necessary. In certain cases, it is understood that minor levels of opacity can exist for some emissions units and activities. In some of these cases, appropriate corrective action may be no corrective action. It is the permittee's responsibility to assess whether no corrective action is necessary.

5.4 Excess Emissions

5.4.1 Requirement

Permit Condition 2.9 requires that the permittee comply with the requirements of IDAPA 58.01.01.130-136 for startup, shutdown, scheduled maintenance, safety measures, upset, and breakdowns. This section is fairly self-explanatory and no additional detail is necessary in this technical analysis. However, it should be noted that Subsections 133.02, 133.03, 134.04, and 134.05 are not specifically included in the permit as applicable requirements. These provisions of the *Rules* only apply if the permittee anticipates requesting consideration under Subsections 131.02 of the *Rules* to allow DEQ to determine if an enforcement action to impose penalties is warranted. Section 131.01 states: "*The owner or operator of a facility or emissions unit generating excess emissions shall comply with Sections 131, 132, 133.01, 134.01, 134.02, 134.03, 135, and 136, as applicable. If the owner or operator anticipates requesting consideration under Subsection 131.02, then the owner or operator shall also comply with the applicable provisions of Subsections 133.02, 133.03, 134.04, and 134.05.*" Failure to prepare or file procedures pursuant to Sections 133.02 and 134.04 is not a violation of the *Rules* in and of itself, as stated in Subsections 133.03.a and 134.06.b. Therefore, since the permittee has the option to follow the procedures in Subsections 133.02, 133.03, 134.04, and 134.05, and is not compelled to, the subsections are not considered applicable requirements for the purpose of this permit and are not included as such.

5.4.2 Compliance Demonstration

The compliance demonstration is contained within the text of Permit Condition 2.9. No further clarification is necessary here.

5.5 Chemical Accident Prevention Provisions - 40 CFR 68

Any facility that has more than a threshold quantity of a regulated substance in a process, as determined under 40 CFR 68.115, must comply with the requirements of the Chemical Accident Prevention Provisions of 40 CFR 68 no later than the latest of the following dates:

- Three years after the date on which a regulated substance present above a threshold quantity is first listed under 40 CFR 68.130.
- The date on which a regulated substance is first present above a threshold quantity in a process.

This facility is not currently subject to the requirements of 40 CFR 68. (However, should the facility ever become subject to the requirements of 40 CFR 68, it must comply with the provisions contained in 40 CFR 68 by the time listed above.)

5.6 PM_{10} NAAQS Demonstration

Potlatch submitted a NAAQS analysis as part of the Tier II permit application. Because NAAQS is not an applicable requirement under Title V of the Clean Air Act, none of the NAAQS information provided by Potlatch is included in this permitting action.

5.7 NESHAP

The Clearwater facility is a major source of methanol and will likely be subject to the Plywood and Composite Wood Products NESHAP, which was scheduled for proposal in January 2002. It is scheduled to be published in the federal register for public comment sometime before December 2002. The facility is also a source of formaldehyde emissions. Requirements for the control of HAPs will be established by the promulgated MACT.

6. REGULATORY ANALYSIS - EMISSIONS UNITS

The permit is structured to include a number of emissions units with facility-wide applicable requirements and the remaining units are regulated by specific permit conditions.

The entire Clearwater Wood Products facility was regulated under Operating Permit No. 1140-0001, issued August 22, 1984, and expired in 1989. An updated operating permit that accurately reflects the facility as it exists today has not been issued. A number of emissions units, such as the Clearwater sawmill chipping plant, an independent plystran mill, and an independent plywood mill have been removed. Some process cyclones have been replaced with process baghouses, which generally did not trigger the requirement to obtain a permit to construct prior to installation.

The Tier I permit is written in a manner that applies to the visible emissions limit per IDAPA 58.01.01.625 and the process weight PM limit per IDAPA 58.01.01.700, and is consistent with the current interpretation of the process weight rules. Process weight PM limitations have been applied to the individual process cyclone and process baghouses.. Allowable emissions are based upon the process weight equations listed in Sections 701 and 702 and the weight of material input to each process cyclone or process baghouse.

Applicable requirements for the PM process weight limits per IDAPA 58.01.01.701-702 exist for operation at this facility. The operations are:

- Lumber drying (IDAPA 58.01.01.702)
- Sawmill, Surfacing Department, Lewiston Cedar Products
    - Process material-handling equipment (IDAPA 58.01.01.701 or IDAPA 58.01.01.701, as applicable).

Each operation consists of one or more emissions units that have been grouped together due to similar functions and/or similar applicable requirements.

The emissions unit groups are listed in the permit as follows:

- Emissions Unit Group 1 - Lumber Drying Kilns
- Emissions Unit Group 2 - Wood Handling
- Sawmill (Log Preparation)
- Planing Mill (Surfacing Department)
- Lewiston Cedar Products
- Emissions Unit Group 3 - Fire Water Pump and Emergency Electrical Generator Engines
- Emissions Unit Group 4 - Insignificant Activities

A discussion of the individual emissions units and the operations, as well as the regulatory requirements and methods to determine compliance, are described in more detail below.

6.1 Wood Handling and Processing

6.1.1 Wood Handling and Processing Emissions Units and Emissions Control

Emissions Unit Groups 1 and 2 consist of the following processes, emissions units, and related emissions control equipment:

Table 6.1A: WOOD HANDLING AND PROCESSING EMISSIONS UNITS AND EMISSIONS CONTROL DEVICES

Process Description	Emissions Point/Source Identification	Installation Date	Emissions Unit(s) Identification	Emissions Control Device
Log Processing	Debarking, cutoff saws	Various Dates-Dates Not Listed in the Application	27-inch, 35-inch, and 50-inch debarkers; 27-inch, 35-inch cutoff saws	Reasonable control
Sawmill	CW-CY-26	1987	Ambient building air from all machine centers, including Headrig, Sharp Chain, Reducing Band Saw, Rotary Gang Saw, Horizontal Band Saw, Quad Band Saw, No. 1 and No. 2 optimizing edgers, trimmers, and other machine centers routed to process cyclones 26, 27A, and 27B	None
	CW-CY-27A	1987		None
	CW-CY-27B	1995		None
Surfacing Department (Planing) (fugitive sources)	Chip belt	Unknown, pre-October 1, 1979	Division chip conveyor belt to pulp and paper	Reasonable control
Surfacing Department (Planing)	CW-CY-18	Unknown, pre-October 1, 1979	No. 4 Splitter	None
	CW-CY-24	Unknown, assume pre-October 1, 1979	Fines from Brooks chipper	None
	CW-CY-25	Unknown, assume pre-October 1, 1979	Chips from Brooks chipper	None
	CW-BH-1, CW-BH-2, CW-BH-3	1995	Process baghouse transporting dropout fines collected from CW-CY-24, sawdust collected from CW-CY-18, planer shavings from No. 2 planer, No. 3 planer, and No. 4 planer, and dust from Nos. 2, 3, and 4 Trimmers	None

Process Description	Emissions Point/Source Identification	Installation Date	Emissions Unit(s) Identification	Emissions Control Device
Lewiston Cedar Products	CW-CY-1	Unknown, pre-October 1, 1979	Process cyclone collecting sawdust and shavings from the molder and sawdust from the gang rip saw	None
	CW-CY-2	Unknown, pre-October 1, 1979	Process cyclone transporting material dropout from CW-CY-1	None
	CW-CY-3	Unknown, pre-October 1, 1979	Process cyclone collecting sawdust and trimming material from the Grecon trimmer	None
	CW-CY-4	Unknown, pre-October 1, 1979	Process cyclone collecting sawdust and trimming material from the Nuloc finger jointer	None
	CW-CY-6	Unknown, pre-October 1, 1979	Process cyclone collecting sawdust and shavings from the No. 15 planer, Cyclones 2, 3, and 4	None
	CW-BH-4, CW-BH-5, CW-BH-6, CW-BH-7	1995	Process baghouse collecting shavings, dust, and trimmer dust from No. 1 resaw, No. 2 resaw, No. 3 resaw, No. 8 resaw, No. 4 profiler, No. 5 profiler, No. 7 profiler, No. 13 planer, and sanders associated with profilers Process baghouse transporting material dropout from profilers, trim saws, resaws, CW-CY-6, sawdust and shavings from No. 12 planer, sanderdust from No. 14 sander, and other machine centers	None

The following stack parameters were provided in the application:

Table 6.1B: PROCESS CYCLONE AND BAGHOUSE EMISSIONS UNITS STACK PARAMETERS

Source	Height (ft)	Diameter (ft)	Flow Rate (acfm)	Temperature (°F)
CW-CY-1	40	4	13,200	Ambient
CW-CY-2	40	3	10,100	Ambient
CW-CY-3	40	3	10,300	Ambient
CW-CY-4	40	3	7,200	Ambient
CW-CY-6	40	2.5	9,000	Ambient
CW-CY-18	40	3	7,200	Ambient
CW-CY-24	40	3	8,400	Ambient
CW-CY-25	25	3	5,450	Ambient
CW-CY-26	15	2.5	51,000	Ambient
CW-CY-27A	15	2.5	32,500	Ambient
CW-CY-27B	15	3	32,500	Ambient
CW-BH-1	43	4.3	36,000	Ambient
CW-BH-2	18	4.3	38,000	Ambient

Source	Height (ft)	Diameter (ft)	Flow Rate (acfm)	Temperature (°F)
CW-BH-3	43	4.3	41,000	Ambient
CW-BH-4	9	4	45,000	Ambient
CW-BH-5	9	4	43,000	Ambient
CW-BH-6	9	4	35,000	Ambient
CW-BH-7	9	4	33,000	Ambient

Table 6.1C: LUMBER DRYING KILNS VENT PARAMETERS

Process Description	Emissions Point/Source Identification	Installation Date	Emissions Unit(s) Identification	Emissions Control Device
Lumber drying kilns	CW-KV-1	Unknown, assume pre-October 1, 1979	31 single track kilns 1 double track kilns	None

Table 6.1D: LUMBER DRYING KILNS

Source	Height (ft)	Diameter (ft)	Flow Rate (acfm)	Temperature (°F)
CW-KV-1 >100 Vents	16	Approximately 1.5 square feet each	Unknown	200

6.1.1.1 Process Weight Limitations - (IDAPA 58.01.01.700)

No person shall discharge to the atmosphere from any process or process equipment operating on or after October 1, 1979, PM in excess of the amount shown by the following equations, where E is the allowable emissions from the entire source in pounds per hour, and PW is the process weight in pounds per hour:

a. If PW is less than 9,250 lb/hr,

$$E = 0.045(PW)^{0.6}$$

b. If PW is equal to or greater than 9,250 lb/hr,

$$E = 1.10(PW)^{0.25}$$

[IDAPA 58.01.01.701, 4/5/00]

IDAPA 58.01.01.702 states that: "*a person shall not discharge to the atmosphere from any source operating prior to October 1, 1979, particulate matter in excess of the amount shown by the following equations, where E is the allowable emission from the entire source in pounds per hour, and PW is the process weight in pounds per hour.*"

a. If PW is less than 17,000 lb/hr,

$$E = 0.045(PW)^{0.6}$$

b. If PW is equal to or greater than 17,000 lb/hr,

$$E = 1.12(PW)^{0.27}$$

[IDAPA 58.01.01.702, 4/5/00]

The affected emissions units must comply with an allowable PM emissions limit that corresponds to the weight (including the water content) of the material being processed by the group of affected equipment.

6.1.1.2 Compliance Demonstration

The EPA's guidance on periodic monitoring states:. *"...if some level of control is necessary to comply with the standard, then the permit must either specify frequent measurement of PM and/or collection of control equipment parameters to assure proper operation and maintenance of the control device".* EPA criteria are considered for the development of adequate monitoring and recordkeeping requirements for the facility's compliance certification.

The permittee shall conduct periodic inspections of visible emissions from the process cyclones and baghouses. Continuous compliance may be established through the monthly visible emissions inspection program. Generally, the process weight rule is not very stringent, so an intensive program that demonstrates compliance with the opacity limit should also ensure compliance with the process weight rule.

The permittee has provided information on the process material throughputs for the cyclones and baghouses. The cyclones and baghouses are used to transport materials throughout the facility and are considered process equipment. Both the regulatory interpretation that these emissions units qualify as process equipment and the compliance demonstration method are consistent with the approach used in the 1984 operating permit (refer to the permittee's August 2, 1999 application materials in Attachment 1 of that document).

The permittee provided a spreadsheet that demonstrated that the drying kilns would be in compliance with the process weight rate PM limitation for all species of wood dried at this facility. Please refer to the permittee's June 13, 2002 submittal.

6.1.1.3 Monitoring

The permittee shall conduct monthly one-minute observations of each affected emissions point or source using EPA Method 22 (per 40 CFR, Appendix A). If visible emissions are observed for any emissions point, a six-minute observation using EPA Method 9 shall be conducted or appropriate repairs shall be completed within 24 hours. A visible emissions retest as noted above shall be conducted following completion of such repairs.

6.1.1.4 Testing

There is no testing required to satisfy the PM requirement.

6.1.1.5 Recordkeeping

The results of each visible emissions observation shall be recorded and maintained as required in Permit Condition 2.13, and shall include, but is not limited to, the following information:

- Date of observation
- Time of observation
- Equipment/emissions point observed
- Weather conditions during observation
- Results of visible emissions tests

6.1.1.6 Reporting

The permittee must submit certified semiannual reports of all required monitoring listed above. Deviations are to be noted by the permittee and the corrective action(s) taken must be included in the semiannual report. A certification of the compliance status must be submitted annually.

6.1.2 Visible Emissions - (IDAPA 58.01.01.625)

The visible emissions limitations in IDAPA 58.01.01.625 state: "*a person shall not discharge any air pollutant to the atmosphere from any point of emissions for a period or periods aggregating more than three minutes in any 60-minute period which is greater than 20% opacity as determined by procedures contained in IDAPA 58.01.01.625.*"

6.1.2.1 Compliance Demonstration

The permittee shall conduct visible emissions observations in accordance with IDAPA 58.01.01.625.

6.1.2.2 Monitoring

The permittee shall conduct monthly one-minute observations of each affected emissions point or source using EPA Method 22 (in 40 CFR 60, Appendix A). If visible emissions are observed for any emissions point, a six-minute observation using EPA Method 9 shall be conducted or appropriate repairs shall be completed within 24 hours. A visible emissions retest as noted above shall be conducted following completion of such repairs.

6.1.2.3 Testing

There are no testing requirements associated with establishing compliance with IDAPA 58.01.01.625.

6.1.2.4 Recordkeeping

The permitee will record the results of the observer's inspection of the cyclones, baghouse vents, and kiln vents and provide documentation in records according to the content and format listed below.

- Date of observation
- Time of observation
- Equipment/emissions point observed
- Results of visible emissions test

The permittee must record the results of each visible emissions evaluation performed on the cyclones and cyclone-baghouse emissions stacks according to the standard requirements for recordkeeping of monitoring information. The records must be maintained in accordance with Permit Condition 2.13.

6.1.2.5 Reporting

The permittee must submit certified semiannual reports of all required monitoring listed above. Deviations are to be noted by the permittee and the corrective action(s) taken must be included in the semiannual report.

6.2 Fire Pump and Emergency Electrical Generator Engines (CW-IC-1, IC-2, IC-3, IC-4, IC-5, IC-6)

The facility operates diesel-fired, internal combustion engines to provide power to emergency fire water pumps and emergency electrical generators. The engines run approximately one hour per week for testing and maintenance operation. The engines emit PM_{10}, SO_x, NO_x, CO, and VOCs. Operation of fire water and emergency generator engines is infrequent. Typical operation is for maintenance purposes only. The only time they will operate in addition to maintenance is during emergency situations of a fire, insurance proof testing, and standard line power interruptions. Fire water pump engines are each rated at 170 horsepower. The emergency electrical generator engine is rated at 125 horsepower.

6.2.1 Visible Emissions - (IDAPA 58.01.01.625)

The diesel engine is equipped with an exhaust stack. The stack qualifies as a point source of emissions. Combustion products emitted during engine operation create the potential for the existence of visible emissions. IDAPA 58.01.01.625 states: *"...a person shall not discharge any air pollutant to the atmosphere from any point of emission for a period or periods aggregating more than three minutes in any 60-minute period which is greater than 20% opacity as determined by the procedures contained in IDAPA 58.01.01.625."*

6.2.1.1 Compliance Demonstration

These emissions units operate infrequently for short periods of time, and are not considered to have a significant potential to cause exceedances of the opacity standard. There are no requirements to demonstrate compliance with the opacity standard.

6.2.1.2 Monitoring

There are no requirements for monitoring to determine compliance with the opacity standard for the diesel-fired engines.

6.2.1.3 Testing

There are no requirements for testing the diesel-fired engines for compliance with the opacity standard.

6.2.1.4 Recordkeeping

There are no recordkeeping requirements for the permittee to perform for determining compliance with the opacity standard.

6.2.1.5 Reporting

There are no reporting requirements for the permittee to perform for determining compliance with the opacity standard.

6.3 Sulfur Content in Fuels - (IDAPA 58.01.01.728)

Potlatch combusts diesel fuel in the internal combustion engine for the fire pump. The emissions unit is not limited to a specific type of distillate fuel, so both IDAPA 58.01.01.728.01 and 728.02 apply. When the emissions unit combusts ASTM Grade 1 (commonly referred to as No. 1) fuel oil, the sulfur content cannot exceed 0.3 weight percent, and when the emissions unit combusts ASTM Grade 2 fuel oil, the sulfur content is limited to 0.5% by weight.

6.3.1 Compliance Demonstration

The fire pump and emergency generator engines are diesel engines. Use of any fuel other than distillate fuel oil is not likely; however, the facility is required to verify the sulfur content of the fuel used onsite.

6.3.2 Monitoring

There are no monitoring requirements for the permittee to perform for determining compliance with the sulfur content limitation. Recordkeeping requirements are listed below in Section 6.3.4

6.3.3 Testing

The permittee must submit certified semiannual reports of all required monitoring listed above. Deviations are to be noted by the permittee and the corrective action(s) taken must be included in the semiannual report.

6.3.4 Recordkeeping

The permittee is required to maintain documentation of the fuel sulfur content of the distillate fuel used onsite by keeping records detailing the fuel supplier, fuel delivery date, distillate fuel grade, and the sulfur content in percent by weight.

6.3.5 Reporting

No reporting is required beyond that required by Permit Condition 2.12.

7. INSIGNIFICANT ACTIVITIES

Listed below are the insignificant activities described by the permittee in accordance with IDAPA 58.01.01.317.

Table 7.1: INSIGNIFICANT ACTIVITIES

Emissions Unit	Description	Insignificant Activities IDAPA Citation Section 317.01(b)(l)
CW-ME-4	Conveyors in log handling areas	b.i.(30)
CW-ME-5	Belt conveyors from sawmill to pulp mill	b.i.(30)
CW-ME-8	Gasoline dispensing pump	b.i.(2)
CW-ME-9	Diesel dispensing pump	b.i.(2)
CW-ME-18	Log yard shop welding vents	b.i.(4)
CW-ME-28	600-gallon diesel storage tank	b.i.(2)
CW-ME-29	Four 100-gallon oil tanks	b.i.(1)
CW-ME-32	One 500-gallon gasoline tank	b.i.(2)
CW-ME-34	Propane filling station of <40,000 gallons	b.i.(4)
CW-ME-38	1000-gallon diesel storage tank	b.i.(2)
CW-ME-49	Natural gas engine < 5 MMBtu/hr	b.i.(5)
CW-ME-50	Propane engine < 5 MMBtu/hr (Greenhouse)	b.i.(5)

Emissions Unit	Description	Insignificant Activities IDAPA Citation Section 317.01(b)(l)
CW-ME-51	Propane heater < 5 MMBtu/hr (Greenhouse)	b.i.(5)
CW-ME-52	Propane heater < 5 MMBtu/hr (Greenhouse)	b.i.(5)
CW-ME-53	Sawmill/filing room dust collection (Cyclone 33)	b.i.(30)
CW-ME-54	Sawmill/filing room dust collection (Cyclone 34)	b.i.(30)
CW-ME-55	Sawmill/grinding room dust collection (Cyclone 35)	b.i.(30)
CW-ME-57	200 kw emergency electrical generator natural gas-fired engine	b.i.(5)

8. ALTERNATIVE OPERATING SCENARIOS

There are no alternative operating scenarios identified by the facility.

9. TRADING SCENARIOS

No emissions trading was requested in the permit application.

10. EXCESS EMISSIONS

The facility has reported excess emissions scenarios in the Tier I operating permit application. Review the application materials dated June 22, 1998, to examine the facility's procedures for minimizing excess emissions procedures due to start-up, shut-down, scheduled maintenance, safety, upset, and breakdown conditions. The application materials address excess emissions from the baghouses, cyclones, blowlines, and conveying systems.

The permittee submitted these procedures in accordance with IDAPA 58.01.01.133 and 134. They replace the excess emissions procedures identified in the Tier I operating permit application dated May 26, 1995.

11. COMPLIANCE PLAN AND COMPLIANCE CERTIFICATION

Compliance Plan

Potlatch certified compliance with all applicable requirements. No compliance plan was submitted.

Compliance Certification

Potlatch will be required to periodically certify compliance in accordance with General Permit Provision 7.21.

12. AIRS INFORMATION

Table 12.1: AIRS/AFS Facility-wide CLASSIFICATION DATA ENTRY FORM

AIR PROGRAM / POLLUTANT	SIP	PSD	NSPS (Part 60)	NESHAP (Part 61)	MACT (Part 63)	TITLE V	AREA CLASSIFICATION A – Attainment U – Unclassifiable N – Nonattainment
SO_2	B					B	U
NO_x	B					B	U
CO	B					B	U
PM_{10}	B					B	U
PT (Particulate)	B					NA	U
VOC	A					A	U
THAP (Total HAPs)	A				A	A	NA
			APPLICABLE SUBPART				
					DDDD		

AIRS/AFS Classification Codes:

A = Actual or potential emissions of a pollutant are above the applicable major source threshold. For NESHAP only, class "A" is applied to each pollutant that is below the 10 T/yr threshold, but which contributes to a plant total in excess of 25 T/yr of all NESHAP pollutants.

SM = Potential emissions fall below applicable major source thresholds if and only if the source complies with federally enforceable regulations or limitations.

B = Actual and potential emissions below all applicable major source thresholds.

C = Class is unknown.

ND = Major source thresholds are not defined (e.g., radionuclides).

NA = PM is not a pollutant of concern for Title V of the Clean Air Act.
NAAQS is not established for HAPs.

13. REGISTRATION FEES

This facility is a major facility as defined by IDAPA 58.01.01.008.10 and; therefore, is subject to registration and registration fees in accordance with IDAPA 58.01.01.525.

14. RECOMMENDATION

Based on the Tier I operating permit application and review of the federal regulations and state rules, staff recommends DEQ issue final Tier I Operating Permit No. 069-00003 to Potlatch Corp.'s, Clearwater Wood Products.

cc: Kerby Cole, Lewiston Regional Office
Laurie Kral, EPA Region 10
Sherry Davis, Air Quality Division

BR/DM/sd Project No. T1-9505-064-1

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Appendix A

Lumber Drying Kiln
HAPs Potential to Emit

Idaho Department of Environmental Quality
Office of Technical Services

CALCULATION SHEET

Sheet 1 of 4

Project Potlatch - Clearwater. Work Order _____ File No. _____

Title of Calculation Methanol & Formaldehyde PTE. Prepared By D. M Date 5/30/02

Item Emission Factors. Checked By _____ Date _____

SOURCE: OREGON STATE UNIVERSITY SMALL-SCALE KILN STUDY, REPORT TO INTERMOUNTAIN FOREST ASSOCIATION, BY M.R. MILOTA, DEPT. OF FOREST PRODUCTS, OREGON STATE UNIVERSITY, DATED SEPT. 29, 2000.

SPECIES SAMPLED: PONDEROSA PINE
WHITE FIR
LODGEPOLE PINE.
DOUGLAS FIR.

PONDEROSA PINE:

	Methanol (MeOH) (lb/mbf)	Formaldehyde (HCOH) (lb/mbf).
Event 4. →	0.050	0.0022
Event 5	0.080	0.0036
AVG	0.065	0.0191

WHITE FIR

	MeOH (lb/mbf)	HCOH (lb/mbf)
Event 3	0.096	0.0022
Event 4	0.148	0.0034
~~Event~~ AVG	0.122	0.0028

LODGEPOLE PINE

	MeOH (lb/mbf)	HCOH (lb/mbf)
Event 2	0.062	0.0041
Event 4	0.063	0.0041
Event 5	0.056	0.0039
AVG	0.060	0.0040

10-01-01

Idaho Department of Environmental Quality
Office of Technical Services

CALCULATION SHEET

Sheet 2 of 4

Project Potlatch Clearwater. Work Order _____ File No. _____

Title of Calculation MeOH & HCHO PTE. Prepared By DA Date 5/30/02

Item Emission Factors. (CONTINUED) Checked By _____ Date _____

DOUGLAS-FIR	MeOH (lb/mbf)	HCHO (lb/mbf)
Event 1	0.025	0.0008
Event 2	0.023	0.0008
(AVG)	0.024	0.0008

Idaho Department of Environmental Quality
Office of Technical Services

CALCULATION SHEET
Sheet 3 of 4

Project Potlatch Clearwater Work Order Tier II OP. File No.

Title of Calculation Methanol and Formaldehyde PTE. Prepared By DM. Date 5/30/02

Item WHITE FIR MeOH PTE. Checked By Date

FOR A TIER II SYNTHETIC MINOR LIMIT REQUESTED BY POTLATCH.
WHITE FIR

$$\left(280 \frac{\text{MM Bf}}{\text{yr}}\right)\left(0.122 \frac{\text{lb MeOH}}{\text{MBf}}\right) = 34,160 \frac{\text{lb MeOH}}{\text{yr}}$$

@ $2000 \frac{\text{lb}}{\text{Ton}}$ = 17.1 T/yr MeOH

ENFORCEABLE LIMIT ON WHITE FIR THROUGHPUT, TO THE DRYING KILN.

10 T/yr. ⇒ 20,000 lb.

$$\left(20,000 \frac{\text{lb MeOH}}{\text{yr}}\right)\left(\frac{\text{mbf}}{0.122 \text{ lb MeOH}}\right) = 163,934.4 \text{ mbf}$$

of White fir.

OR APPROXIMATELY 163 MM Bd Ft/yr

AT 280 MM Bd Ft/yr OF WHITE FIR ONLY.

HCHO Emissions:

$$\left(\frac{0.784 \text{ lb}}{\text{mbf}}\right)\left(280 \frac{\text{mm Bf}}{\text{yr}}\right) = 5348 \frac{\text{lb HCHO}}{\text{yr}}$$

0.0028 × White fir factor.

OR 0.392 2.67 Tons HCHO/yr.

WORST. AGGREGATED HAPs.

17.1 T/yr + 0.39 T/yr = 17.5 T/yr

∴ MAJOR SOURCE AT REQUESTED THROUGHPUT (WORST CASE)

10-01-01

Idaho Department of Environmental Quality
Office of Technical Services

CALCULATION SHEET

Sheet 4 of 4

Project Potlatch Clearwater Work Order Tier I OP. File No.

Title of Calculation Facility PTE. Prepared By DAM. Date 6/19/02

Item KILN HAPs Emissions Checked By Date

Potential Dry Kiln Throughput equals 1 million Board ft per Day.

@ 365 day per year Potential Throughput = 365 $\frac{\text{mm Bd ft}}{\text{yr}}$

WHITE FIR IS THE WORST CASE TREE SPECIE.

Methanol (MeOH): 0.122 $\frac{\text{lb MeOH}}{\text{M bd ft}}$ (OSU KILN STUDY) for white fir.

$$\left(\frac{0.122 \text{ lb MeOH}}{\text{M Bd ft}}\right)\left(365 \frac{\text{mm Bd ft}}{\text{yr}}\right) = 44,530 \frac{\text{lb MeOH}}{\text{yr}}$$

OR **22.3 TONS/YR MeOH**

FORMALDEHYDE (HCOH): 0.0028 $\frac{\text{lb HCHO}}{\text{M Bd ft}}$ (White fir OSU Kiln Study)

$$\left(0.0028 \frac{\text{lb HCHO}}{\text{M Bd ft}}\right)\left(365 \frac{\text{mm Bd ft}}{\text{yr}}\right) = 1022 \frac{\text{lb HCHO}}{\text{yr}}$$

OR **0.5 TONS/YR HCHO**

Aggregated HAPs = 22.3 T/yr + 0.5 T/yr

= **22.8 T/yr.**

∴ The facility is a major source of individual HAP only.

NOTES: THIS FACILITY CANNOT ACTUALLY DRY 365 MM Bd Ft PER YEAR OF WHITE FIR. DRYING CYCLE TIMES ARE LONGER FOR WHITE FIR. HOWEVER, 365 MM Bd Ft PER YEAR OF WESTERN RED CEDAR COULD BE DRIED. THERE ARE NO MeOH and HCHO EMISSION FACTORS AVAILABLE FOR WESTERN RED CEDAR. WORST CASE ASSUMPTIONS REQUIRE USING THE WHITE FIR FACTORS. DEQ AND POTLATCH AGREE ON THIS ASSUMPTION.

Appendix B

Potlatch Comments on the Facility Draft Permit, Tech Memo, and DEQ's Responses

October 4, 2000

STATE OF IDAHO
DEPARTMENT OF ENVIRONMENTAL QUALITY
RESPONSE TO PUBLIC COMMENTS
ON PROPOSED TIER I AIR QUALITY OPERATING PERMIT
FOR POTLATCH CORPORATION'S CLEARWATER WOOD PRODUCTS FACILITY

Introduction

As required by IDAPA 58.01.01.364 (*Rules for the Control of Air Pollution in Idaho*), the Idaho Department of Environmental Quality (DEQ) provided for public comment, including offering an opportunity for a hearing, the Tier I operating permit proposed for Potlatch Corp.'s Clearwater Wood Products facility. Public comment packages, which included the application materials, and draft permit and technical memorandum, were made available for public review at the Lewiston City Library, DEQ's Lewiston Regional Office, and DEQ's State Office in Boise. A copy of the draft permit and technical memorandum was also posted on DEQ's Web site. The public comment period was provided from August 5, 2002, to September 4, 2002, and a public hearing was held on September 3, 2002 in Lewiston. The public comment period and hearing were held to allow any interested party to comment on the air quality and permit requirements of the Tier I permit. The state of Washington is an affected state, and as such, the Department also provided a copy of the public comment package for their review and comment. Affected states are defined in IDAPA 58.01.01.008.01 as: *"All states whose air quality may be affected by the emissions of the Tier I source and that are contiguous to Idaho or that are within 50 miles of the Tier I source."*

Comments received by DEQ are listed below. Those comments regarding the air quality aspects of the draft permit are addressed with DEQ's response.

PUBLIC COMMENTS AND DEQ RESPONSES

Comment No. 1: Richard Artley, Grangeville, Idaho

E-mail dated August 17, 2002, at 9:45 AM

Subject: Comments on Potlatch Air Quality Permits.....to Christopher P. Ramsdell

August 17, 2002

Dear Mr. Ramsdell,

In todays Lewiston Morning Tribune, I saw an article that you were accepting comments on Potlatch air quality permits. I understand that you are not requesting comments on WHETHER they should be granted a permit. I [wish] that were the question, I would quickly say no and write several pages telling you why. We have friends that live in other states that refer to our area as "that place that smells". I'm not so worried about the smell, but whats in the smell.

My elderly parents live in Lewiston. When we visit them, I need to roll up the windows and shut down the "fresh air" vent several miles away. I worry about the junk (chemicals) in the air they breathe often.

I understand that Potlatch has applied to be regulated under one "umbrella" permit. Of course they have. I'm sure they would like this "one stop shopping." Not only would it reduce their paperwork, but they feel that in Idaho especially, nobody would dare to shut down (even on a temporary basis) a corporation for any reason. That is obvious in reading Kempthorne's reaction to field burning in north Idaho. To him, profits are more important than human lives.

With that said, I'll conclude. I think I know what the Tier One permit requires. What bothers me, is that if one of their emissions regulated by an emission-specific permit now, were to fall below allowable levels, would their entire Tier One permit be withheld as it should? I think not. Not in Idaho. Permit issuance could easily become a stamp process.

I ask you to deny their request for a Tier One permit.

Sincerely,

Richard Artley

Richard Artley
415 East North 2nd
Grangeville, Idaho 83530

DEQ Response

The Tier I permit being issued to Potlatch Corporation for the Clearwater Wood Products (Potlatch Clearwater) facility according to the requirements of Idaho's permitting program that implements Title V of the Clean Air Act Amendments. Title V is referred to as the Tier I operating permit program in Idaho's regulations. This permitting action is not for the addition of new processes or emissions units. Rather it is a permitting program that requires the facility to identify any and all applicable requirements that currently apply to the facility, as well as any the facility is aware that will apply when promulgated in the future. These applicable requirements are then collected in a single permit. The facility's past and current compliance status with regard to air quality regulations has also been reviewed by Potlatch, and the results of this examination were presented in a certified Tier I permit application by the facility's responsible official. As a large contributor of air pollutants (called a "major source" in the regulations), Potlatch is required by the nature and design of the Title V (Tier I) permitting program to get one "umbrella" type of permit that contains all of the applicable requirements, which may include emissions standards from Idaho and federal regulations, consent orders, and previously-issued permits to construct, operating permits, etc.

The applicable requirements have been incorporated into this Tier I permit along with monitoring and recordkeeping requirements, in the manner determined to be appropriate by the Department of Environmental Quality (DEQ) and the facility. Public comments, to the extent that comments relate to specific air quality considerations, are taken into consideration before the final permit is issued. DEQ must issue this permit to Potlatch because Potlatch has fulfilled the regulatory requirements necessary for issuance of this permit.

In the event emissions fall below the allowable level in an emissions-specific permit that has already been issued, that emissions unit is in compliance with the emissions limitation.

In general, if a permittee is not in compliance with any emissions limits prior to issuance of the Tier I permit, that Tier I permit will contain a compliance schedule that sets out enforceable milestones

Comment No. 2: Mark Solomon, Moscow, Idaho

Mark Solomon
PO Box 8145
Moscow, ID 83843
msolomon@turbonet.com

Chris Ramsdell
Department of Environmental Quality
1410 N. Hilton, Boise, ID 83706-1255
cramsdel@deq.state.id.us

September 5, 2002

RE: Application for a Tier I operating permit for an air pollution-emitting facility: Potlatch Corp. - Clearwater Wood Products, Lewiston

Dear Chris,

Please accept the following as my comments on the above referenced application:

This application is a textbook example of a favorite industry shell game - "Which facility is the air pollution coming from?". The underlying assumption of the permit, that the Potlatch sawmill complex is "separate" from the pulp and paper mill, is wrong and must be reversed.

The resulting shell game devolves from the erroneous 1997 decision by the Attorney General. It is no more evident than in the permitting history included in the Technical Memo:

May 16, 2000	A public comment period was initiated for Tier II Operating Permit No.069-00003.
September 22, 2000	DEQ notified Potlatch that issuance of Tier II Operating Permit No.069-00003 would be delayed pending a facility-wide NAAQS compliance demonstration.
April 27, 2001	DEQ received a submittal dated April 20, 2001, from Potlatch Clearwater consisting of a PM10 NAAQS demonstration.
June 27, 2001	DEQ notified Potlatch Clearwater that a revised PM10 NAAQS analysis including the adjacent facility would be required. The adjacent facility consists of Potlatch's Pulp and Paper Division and Consumer Products Division.
June 11, 2002	Potlatch notified DEQ that the facility would no longer pursue obtaining a Tier II operating permit and will obtain a Tier I operating permit.

As is revealed, DEQ's insistence on examining facility-wide emissions required under a Tier II approach resulted in Potlatch withdrawing their Tier II application and resubmitting it as Tier I. Where there's smoke there's fire. DEQ must reject this application and reverse the 1997 decision to allow the different operating divisions of the Potlatch Lewiston facility to be considered separate for purposes of air pollution control.

I request that the comments submitted previously by myself and the Land and Water Fund of the Rockies during the Tier II application public comment period be incorporated by reference in regards to the issue of facility separation. For ease of discussion, they are appended below.

Sincerely,

Mark Solomon

****

Gary Reinbold
Division of Environmental Quality
1410 N. Hilton
Boise, Idaho 83706-1255

June 29, 2000

Re Docket No. 10AP-2008--Potlatch Clearwater Wood Products--Proposed Tier II Operating Permit for an Air Pollution Emitting Source

Dear Mr. Reinbold,

Please accept the following as my comments on the above referenced docket.

IDEQ must reject Potlatch's application for Tier II status for two reasons: the declared ability of the facility to emit more than 100 tpy of VOCs and the underlying erroneous 1997 decision of IDEQ to treat the Clearwater Wood Product Division as a separate source from Potlatch's Pulp and Paper Division and Consumer Products Division.

Separate Facilities:

This permit action is the first instance in which the public has had an opportunity to review and comment on the decision made by IDEQ on February 6, 1997 to treat the Clearwater Wood Products Division as a separate facility for purposes of air pollution control permitting. That decision is the underlying action allowing for the consideration of further downgrading regulatory control embodied in the Tier II application and one which I disagree with for the following reasons:

IDEQ relies on a three past test for determination of facility separation: Are the facilities adjacent/contiguous; under the same ownership; identified by the same first two digits of the facilities SIC code? Under a strict reading of Idaho's rules, if all three conditions are met, then the facilities shall be treated as one for air permitting purposes. The first two are unambiguous: the facilities are adjacent, if not intermingled, and they are both owned by Potlatch. It is the third condition that is questionable in Potlatch's application and IDEQ's interpretation. Of key importance is the determination as to whether the Wood Products Division is either a support or supported facility of the rest of the operations at the site.

As the record clearly shows, the sawmill is a support facility for the Pulp and Paper Division and is likewise a supported facility of the same. One "test" for support is the provision of 50% or more of the facility's output to another facility that, except for differing SIC codes, meets the location and ownership criteria of the separation test. Of particular concern is the unsubstantiated claim by the company that less than 50% of its output is delivered to the other division for utilization. The company claims, without providing any proof discernible in the record, that 50.4% of its output, measured by volume, is lumber, that about 10% is "lost" in handling, and the remaining 39.6% is delivered to the pulp line or power boiler. Nowhere in the record is it noted how those figures were derived. Nowhere in the record is it noted what the units of measure are, especially with regard to the "10% lost". Nowhere is there a data set that allows IDEQ to determine the consistency or trend of Potlatch's outputs. 50.4% is remarkably close to 49.9%, especially in the ever-changing world of lumber vs. pulp and paper markets and the inadequacy of the statistical determination. Half a percent is pretty easy to lose in the soup.

IDEQ has completely ignored the reality that the Wood Products Division is a completely supported facility of the Pulp and Paper Division as it derives 100% of its electrical power and process heat from the #4 Power Boiler. Absent the steam from the power boiler, the Wood Products Division would be incapable of operating its Dry Kilns without construction of a separate boiler which would likely increase its emissions of VOCs and PM 10 above the 100 tpy Tier II limit.

Similarly, the Wood Products Division is entirely dependent on the "other division's" wastewater treatment. All of the wastewater streams are combined for treatment and considered by EPA under one NPDES permit.

Likewise, IDEQ has completely ignored the intermingled nature of the physical plant of the two divisions at the site, an oversight that Potlatch has taken advantage of in its current application by shifting air pollutant emission sources from one division to another to lower the amount reported by the Wood Products Division.

A determination of "support" is a critical step for it allows the regulatory authority to treat a facility with a different SIC code from the "primary" facility as a single entity if it meets the first two criteria (location and ownership). As referenced in a Stoel/Rives memo submitted by Potlatch as part of the separation proceedings:

"Each source is to be classified according to its primary activity which is determined by its principal product or group of products produced or distributed, or services rendered. Thus, one source classification encompasses both primary and support facilities, even when the latter includes units with a different two-digit SIC code. Support facilities are typically those, which convey, store or otherwise assist in the production of the principal product. Where a single unit is used to support two otherwise distinct sets of activities, the unit is to be included within the source, which relies most heavily on its support. 45 Fed Reg 52695 (8/7/80)."

"The circumstances at the Lewiston Complex arguably differ from those contemplated by EPA in establishing the NSR interpretation. As demonstrated by the examples provided by EPA for application of this principle under the NSR program, EPA anticipated support facilities to include on-site power plants or raw material preparation plants to facilitate production of a separate primary product. See EPA's Draft "New Source Review Workshop Manual" October 1990; 56 Fed Reg 27124. These facilities, by their nature, generate intermediate products and exist to facilitate production of a separate primary product." (emphasis added)

Similarly, the Attorney General's Office, in its own approval letter for separating the facilities, quotes EPA, but then, somehow, fails to draw the directed conclusion:

"IDEQ disagrees with Potlatch (and Stoel Rives') contention that no legal basis exists to impose the support facility concept in making major facility determinations for title V purposes.... "Under the support facility test, collocated sources with different two-digit SIC codes will nevertheless be combined where one of the collocated sources is a support facility of the other."

IDEQ has failed to adhere to the Clean Air Act in making its separate facility determination for the Lewiston complex. All regulatory and permitting actions depending from that decision, including the application for Tier II status, must be placed in a pending status until that decision is revisited, the significant faults in the record remedied and Potlatch is treated as all major polluters (Tier I) are.

(sections on Tier II request and Ambient Air Conditions omitted)

Sincerely,

Mark Solomon

****

Gary Reinbold
Division of Environmental Quality
1410 N. Hilton
Boise, Idaho 83706-1255

June 16, 2000

Re Docket No. 10AP-2008--Potlatch Clearwater Wood Products--Proposed
Tier II Operating Permit for an Air Pollution Emitting Source

Dear Mr. Reinbold,

Please accept the following as the comments of the Idaho Conservation League and the Land and Water Fund of the Rockies on the above referenced docket.

The Idaho Department of Environmental Quality [DEQ] should deny the permit application from the Potlatch Corporation requesting Tier II status for the Clearwater Wood Products division because the potential to emit/potential emissions from the facility exceeds 100 tons per year [Tpy]. Further, the decision to separate the Clearwater Wood Products division from the rest of the Potlatch-Lewiston facility should not be relied upon because there is no evidence that the Clearwater facility does not contribute more than 50% of its output to the other divisions of the Lewiston facility.

(section I regarding Tier II emission limitations omitted)

II. The decision to separate the Clearwater facility from the rest of the Potlatch facility was in error.

We further object to the decision to separate the Clearwater Wood Products Division from the rest of the Potlatch-Lewiston facility for CAA permitting purposes. DEQ was in error when the decision was made to separate this facility and may not continue to rely upon that faulty determination for new CAA permitting purposes.

While it is conceded that by the definition of "facility" in Idaho Pollution Control Rules allows DEQ to consider separating the facility, Potlatch, in addition, must prove that the Clearwater facility is not a support facility for the rest of the Potlatch operation. See Memorandum, John Seitz, Director of the Office of Air Quality Planning and Standards, EPA 12, 13. (In DEQ record). "[A] support facility usually would be aggregated with the primary activity to which it contributes 50% or more of its output." Id.

Even if the two digit SIC codes are different for the facilities, they will nevertheless be considered part of the same facility if there is the above mentioned nexus. The State of Idaho, in making the determination that the facilities are separate, stated that it did not appear that "Clearwater Lumber Division is a support facility for the Pulp and Paper Board and Consumer Products Division as 50% of its output is not sold to the Pulp and Paperboard and Consumer Products Division..." Correspondence from Lisa Kronberg, Deputy Attorney General, State of Idaho to Susan J. Flieder, Environmental Counsel, Potlatch Corporation Re: Potlatch Corporation Air Quality Operating Permits, 1997, P.2. (In DEQ record).

It must be pointed out that the threshold is not 50% of the output being sold to the other division but that 50% of its output is contributed to the other division. Until a time when Potlatch can prove that less than 50% of its output is contributed to the other divisions of the Potlatch facility, the Clearwater facility and the rest of the Potlatch-Lewiston facility must be considered one facility for CAA permitting purposes. Therefore the DEQ must not rely upon this past faulty determination and must reconsider its decision to consider the Clearwater facility a separate facility for permitting purposes.

For the foregoing reasons, the Idaho Conservation League and the Land and Water Fund of the Rockies request DEQ to deny the Potlatch Corporation's application for a Tier II permit and issue a Tier I permit covering the entire Potlatch-Lewiston facility.

Very truly yours,

Marc D. Brown

Comment 3: Mark Solomon, Moscow, Idaho

Mark Solomon
PO Box 8145
Moscow, ID 83843
msolomon@turbonet.com

Chris Ramsdell
Department of Environmental Quality
1410 N. Hilton, Boise, ID 83706-1255
cramsdel@deq.state.id.us

September 6, 2002

RE: Application for a Tier I operating permit for an air pollution-emitting facility: Potlatch Corp. - Clearwater Wood Products, Lewiston

Dear Chris,

Please accept the following as my additional comments on the above referenced application as allowed through personal communication with Kate Kelly (attached):

Potlatch's application for a separate Tier 1 permit for its sawmill complex must be rejected based on the arbitrary and capricious nature of the State's decision to treat the sawmill and the pulp and paper complexes as separate facilities.

A careful review of the State's record, made available through a Public Information Request, reveals no factual basis for the determination. In fact, it reveals that there is no record aside from the 8/5/96 request letter from Potlatch for the separation determination and the subsequent 2/6/97 letter of decision from the Attorney General's office. Following are portions of the "record" provided to me:

"I reviewed our files and couldn't find a letter from the Region determining the Clearwater and pulp mill as two facilities.... I can see where it appears that EPA agreed with the state. The AG's letter states: "It is my understanding that EPA concurs with the following decisions made by IDEQ." Whether it's EPA Region 10, Headquarters, or just a determination seemingly consistent with EPA policy, I'm not sure..."
(email communication, 2/6/2001, Kory Tonouchi EPA Region 10 to Eric Kopczynski IDEQ)

"I have not come up with any more in my files"
(email communication, 4/27/2001, Eric Kopczynski IDEQ to Kory Tonouchi EPA Region 10)

Beyond the issue of an adequate record, the arbitrary and capricious nature of the decision is highlighted in several points in the document chain, particularly in regard to the 50% support test:

"The short of it is that DEQ intends to issue the permit to Potlatch Clearwater. According to Mike Simon I am to draft an additional requirement for Potlatch Clearwater to monitor and record the product output of the Clearwater facility. (units of output are unspecified at this time - see if you are looking at the 50% of the facilities output going to the Pulp and Paper - you need to track input to the facility on some basis and then of course the outputs need to be tracked on the same unit basis. (or just the outputs could be tracked on the same basis too). I will be working on the response to the "facility" determination tomorrow."
(email communication 8/3/2000, Darrin Mehr IDEQ to Eric Kopczynski IDEQ)

"Independent of what was decided previously, the Clearwater mill does not appear to be able to function without the Pulp mill supplying both power and steam (i.e. when the Pulp side loosed power and/or steam or is shut down for maintenance, etc. the Clearwater mill is taken down also)."

(email communication, 4/27/2001, Eric Kopczynski IDEQ to Kory Tonouchi EPA Region 10)

As is plainly stated by Darrin Mehr, "DEQ intends to issue the permit to Potlatch Clearwater", a determination seemingly made before the required response to comments has even been drafted. The response comments mentioned by Darrin Mehr do not appear anywhere in the public record and it is doubtful they even exist. From the record provided, the facility (the entire facility, without separation) is clearly in violation of NAAQS for PM10 and requires a PSD determination.

Potlatch has played fast and loose with the state permitting process. According to the record they have provided false or misleading information causing DEQ to abandon the Tier 2 process on which years were spent. They have either failed or procrastinated in paying required fees to process permit applications. They have set up DEQ to miss the 12/31/02 Title V deadline unless the permit is now fast-tracked.

To sum, the Clearwater Wood Products Tier 1 application process must be immediately terminated and a Tier 1 permit for the entire Potlatch Lewiston facility must be drafted, noticed for public comment, reviewed and eventually issued. By 12/31/02.

Good luck.

Mark Solomon

Date: Tue, 03 Sep 2002 16:30:25 -0600
From: "KATHERINE KELLY" <KKELLY@DEQ.STATE.ID.US>
To: <msolomon@turbonet.com>
Cc: "ERIC KOPCZYNSKI" <EKOPCZYN@DEQ.STATE.ID.US>,
"KEITH DONAHUE" <KDONAHUE@DEQ.STATE.ID.US>

Subject: Re: Potlatch Tier 1 application

Mr. Solomon,

DEQ is proposing to issue a Tier I permit to Potlatch Corporation for the Clearwater Wood Products facility. Pursuant to IDAPA 58.01.01.364, on August 2, 2002 a public comment package (including a draft permit) was distributed and notice was given of the commencement of a 30-day period during which the agency would receive public comment on the permit proposal. The public comment period on the Potlatch-Clearwater Tier I permit is due to expire on September 4, 2002. A public hearing, scheduled for this evening, will also be held to take verbal comment on the proposal.

We are in receipt of your request for a 15-day extension of the public comment period for the Potlatch-Clearwater Tier I permit. Due to our internal deadlines and demands to issue this - and many other -Tier I permits, we are denying your request to formally extend the time period for receipt of written comment on this permit. At the same time, we will - and often do - consider late comments to the extent we can. In this case, if you can submit your comments to us by Friday (September 6), we should be able to consider them in our response before the permit is submitted to EPA for review pursuant to IDAPA 58.01.01.366.

Please let me know if you have questions. My phone number is 208/373-0445.

Kate Kelly, Administrator
Air Quality Division
Department of Environmental Quality

DEQ Response to Comments 2 and 3

DEQ is issuing the Tier I permit to Potlatch Clearwater as an individual facility on the basis of the February 6, 1997, determination by DEQ and the state of Idaho Office of the Attorney General. That determination is based in part on the following analysis. The definition of "building, structure, facility, or installation" provides three tests: (1) is Potlatch Clearwater adjacent to Potlatch Pulp and Paper (IPPD) and Consumer Products Division (CPD)? (2) Is Potlatch Clearwater under common control with the IPPD/CPD facility? – and (3) is Potlatch Clearwater either (a) part of the same industrial classification (SIC) code as IPPD/CPD, or if not, (b) is Potlatch Clearwater a support facility for IPPD/CPD? If the answer to all three tests were "yes", then Potlatch Clearwater would be considered part of the IPPD/CPD facility. If the answer to any of the three tests were "no", then Potlatch Clearwater would be considered a separate facility from the IPPD/CPD facility.

The answer to tests 1 and 2 are obviously yes. Potlatch Clearwater is adjacent or contiguous to the IPPD/CPD facility, and they are all under common control or ownership. However, when test 3 is applied, it is obvious that Potlatch Clearwater is a separate facility. Case in point, the SIC code for IPPD is 2611, and the SIC code for CPD is 2621. By virtue of the same two-digit industrial grouping – 26 – IPPD and CPD are one facility. This decision has been made and is not of issue. However, the SIC code for Potlatch Clearwater is 2421. Here, the two-digit industrial grouping – 24 – is clearly different than that of IPPD/CPD, hence, not part of the same industrial grouping. We know the industrial grouping classification is not the same, but it is Potlatch Clearwater a support facility for IPPD/CPD or vise versa? According to EPA's draft New Source Review Workshop Manual (October 1990), "facilities that convey, store, or otherwise assist in the production of the principal product are called support facilities." The primary product produced by Potlatch Clearwater is dimensional lumber. The primary product produced by IPPD/CPD is paper. Clearly, Potlatch Clearwater may supply some wood waste to IPPD/CPD, but it does not have the capability to supply IPPD/CPD with 50% or more of their raw material needs.

Another scenario, is IPPD/CPD a support facility, in terms of power or steam heat supply, to Potlatch Clearwater? According to an October 15, 2001 memorandum from John S. Seitz, Director, Office of Air Quality Planning and Standards, titled *Source Determination for Combined Heat and Power Facilities under the Clean Air Act New Source Review and Title V Program* " . . . Today's memorandum clarifies that a CHP (combined generation of heat and power, aka cogeneration) facility which is capable of providing power or steam/heat not only to the host, but also to the grid or elsewhere, may be considered a separate source from the host for the purposes on NSR and Title V permitting. That is, permitting authorities may consider a CHP facility to be a separate source from the host facility, even if the CHP facility continues to provide all or most of its output to the host facility. The feature that distinguishes CHP facility from other support facilities is the fact that a CHP facility is independently capable of providing power to the grid or customers other than the host facility. (This guidance apples even where the CHP facility is not necessarily currently providing power or steam/heat to other customers; it need only possesses the technical capability to do so. By "technical capability", we mean that all necessary infrastructure would be in place and that steam or waste heat could be provided "at the turn of a valve.") . . ."

The IPPD/CPD is a cogeneration facility. This facility not only supplies electricity and steam/heat to the host, it also independently supplies its output to other customers (i.e. Potlatch Clearwater and Idaho Power via the grid). Based on EPA guidance and the clarification provided above, the Department has correctly determined the IPPD/CPD facility and Potlatch Clearwater facility are two separate facilities.

Comment Nos. 4 through 26, Bill Highsmith, Potlatch Corporation, Clearwater Wood Products Facility, Lewiston, Idaho

Specific comments related to the permit are listed individually with DEQ's response following immediately thereafter.

Comment No. 4: Potlatch Clearwater, Lewiston, Idaho

I. GENERAL COMMENTS

A. The method selected to assure compliance with the opacity standard should be based on the emission unit's potential to exceed the standard, and provisions should be added for decreasing the frequency of visual observations for those emission units which have minor particulate matter emissions, but which never exceed the standard.

Compliance with the opacity standard for all emissions units requires one-minute observations once per month and subsequent Method 9 observations, if any visual emissions are detected (Sections 3.3 and 4.4.). The burden of this "one-size-fits-all" approach does not fit sources where no visible emissions are likely.

In the case of the dry kilns (Section 3.3) opacity observations are completely unwarranted. Opacity is never an issue for steam-heated dry kilns. Therefore, the observations would require a lot of effort for no environmental benefit. Moreover, the kilns have literally hundreds of vents, which emit plumes of water vapor during cool weather, so that it would be extremely difficult, if not impossible, to attempt to observe, let alone "read" each vent. The permit term in Section 3.3 should be deleted, and the Permit should state that no compliance demonstration is necessary, because, based upon technical understandings of dry kiln operation, there is no likelihood for non-compliance with the opacity standard. Next, Potlatch has already submitted calculations to IDEQ that demonstrate that it is impossible for the dry kilns to be out of compliance with the Process Weight Rate Rule, so there is no reason to impose visible emissions inspections or any other compliance demonstration exercise to demonstrate compliance with that rule (see the Tier II permit application information).

Relative to the requirement in Section 4.4 for opacity observations on the baghouses, Potlatch requests the option of either doing a Method 9 analysis if emissions are visible, OR taking corrective action within 24 hours. This option would lead to better air quality and is supportable, because the baghouses never show visible emissions unless they need maintenance. Please reflect the language that IDEQ included in Section 4.6 of the Post Falls Particleboard Title V permit for consistency among Potlatch mills.

Relative to the requirement in Section 4.4 for opacity observations on the cyclones, Potlatch requests a decreased frequency of monitoring for those units where several consecutive observations indicate compliance. It was generally agreed during the IDEQ-industry negotiations associated with the Pilot Operating Permit Program that the Title V permits would allow for such decreased monitoring. Moreover, DEQ reaffirmed this agreement during a meeting between DEQ and Idaho Forest Association representatives on August 20, 2002. Wording such as the following is suggested:

The permittee shall conduct monthly one-minute observations of each cyclone using EPA Method 22 (in 40 CFR Part 60, Appendix A). If visible emissions are observed for any emissions point, a six -minute observation using EPA Method 9 shall be conducted. If four consecutive readings indicate that opacity is greater than 20 percent, observation frequency reverts to monthly (note: please refer to the language that IDEQ included in Section 4.6 of the Post Falls Particleboard Title V permit).

Since the existing operating permit requires Clearwater Lumber to observe opacity quarterly on the cyclones and baghouses, and there have been no exceedances of the standard for more than two years, Potlatch also requests that credit be given for past observations (i.e., so that only quarterly observations are required initially). The Method 9 observations for the previous two years are attached. (Note: this comment was included in Potlatch 7/11/02 comments, but DEQ did not respond to it).

DEQ Response

The monitoring and recordkeeping requirements will be tailored to the emissions control device/process unit. It is agreed that baghouses provide an effective level of particulate matter and visible emissions control, provided they are properly maintained and operated. The request for incorporating the allowance for Potlatch to perform either corrective action within 24 hours on the baghouse if any visible emissions are noted or performing a Method 9 visible emissions observation will be incorporated

Credit will not be given for the past quarterly Method 9 observations. The monitoring and recordkeeping requirements for this facility must be performed according to the schedule contained in the permit. The Tier I operating permit has been altered to incorporate Potlatch's requested monitoring and recordkeeping requirement which initially must be conducted monthly, but then may be stepped down to a quarterly frequency based upon four consecutive monthly visible emissions compliance demonstrations.

The Method 9 opacity information which Potlatch submitted in the Tier I operating permit application for 1997, 1998, and the first quarter of 1999 (originally part of the Tier II operating permit application) indicates that several of the cyclones exhibit an average level of opacity of up to 10% for a three minute period. Given that DEQ has incorporated Potlatch's request for the ability to reduce the observation frequency for the kilns, cyclones, and baghouses, from monthly to quarterly, an initial monthly monitoring frequency for cyclones should not be an overly burdensome Tier I Title V compliance demonstration requirement.

Comment No. 5: Potlatch Clearwater, Lewiston, Idaho

Compliance Testing

II. COMMENTS ON SPECIFIC SECTIONS OF THE PERMIT

2. FACILITY-WIDE CONDITIONS

Visible Emissions

Section 2.8

This section states: "In addition to the specific requirements in Permit Conditions 3.3, 4.4, and 5.2, the permittee shall conduct a monthly facility-wide inspection of potential sources of visible emissions..." It is not clear whether those emission units covered by the unit-specific permit conditions are also covered by Section 2.8. It is Potlatch's understanding that this requirement does not apply to the emission units that are addressed in Permit Conditions 3.3, 4.4, and 5.2. Otherwise, the permit could be interpreted as requiring two separate inspections of these emissions units each month. Moreover, in cases where the unit-specific permit conditions require visible emissions observations only once per quarter, this section would require additional observations, thereby effectively changing the quarterly observation requirement to a monthly requirement. To resolve this problem, Potlatch requests that the wording of the first sentence in this section be changed as follows: "The permittee shall conduct a monthly facility-wide inspection of those potential sources of visible emissions that are not covered by Permit Conditions 3.3, 4.4, and 5.2 during daylight hours and under normal operating conditions." The Technical Memorandum for the proposed Tier I permit for Potlatch's Lumber Drying Division contains the following language, which addresses this issue:

> "It should be noted that if a specific emissions unit has a specific compliance demonstration method for visible emissions that differs from Permit Condition 2.8, then the specific compliance demonstration method overrides the requirement of Permit Condition 2.8. Permit condition is intended for small sources that would generally not have any visible emissions."

Although a similar explanation in the Technical Memorandum for Clearwater Wood Products would be helpful,

it would be preferable to revise the wording in the permit, itself, as suggested above.

The second sentence states: "If any visible emissions are present from any point of emissions, the permittee shall take appropriate corrective action as expeditiously as practicable." Since the phrase "appropriate corrective action" is vague and could be interpreted in more than one way, it is potentially a source of confusion and disagreement. In some cases "appropriate corrective action" will be no action, even when some visible emissions are present, because during normal operation minor amounts of particulate matter are continuously emitted form some emission units (e.g., minor emissions from cyclones). As long as this distinction is understood by IDEQ, Potlatch has no problem with the sentence. During a meeting between IDEQ and Intermountain Forest Industry representatives on August 20, 2002, IDEQ agreed that "appropriate corrective action" could be no action, for certain emission points that normally have minor visible emissions.

DEQ Response

Permit Condition 2.8 has been altered to reflect Potlatch's comment. DEQ also incorporated "see/no see" language for the visible emissions inspection, and the option to perform a Method 9 visible emissions observation in lieu of performing corrective action on a source that has exhibited visible emissions. DEQ understands that "some" level of visible emissions are often exhibited by certain emissions units, and that provided that process is operating properly, no corrective action may be warranted. However, DEQ stresses that those sources that consistently operate near the standard might warrant additional attention than specifically required by the Tier I operating permit.

Comment No. 6: Potlatch Clearwater, Lewiston, Idaho

Compliance Testing

Section 2.10

This section requires that test reports are due to IDEQ within 30 days of testing. Potlatch requests that this be changed to 60 days, since it is often difficult for the contracted testing firms to complete the reports within 30 days, especially if the testing involves complex analytical procedures.

DEQ Response

This requirement is taken directly from the language of IDAPA 58.01.01.157.04, which states, in part:

> "If the source test is performed to satisfy a performance test requirement imposed by state or federal regulations, rule, permit, order, or consent decree, a written report shall be submitted to the Department within thirty (30) days of the completion of the test."

The time period within Section 2.10 will not be altered to incorporate this comment. DEQ suggests if Potlatch Clearwater is ever specifically required to perform a source test on one or more emissions units or processes, that Potlatch explicitly request a 60 day report submittal deadline in a source test protocol, as described by IDAPA 58.01.01.157.01. The proposed Tier I permit for the Clearwater Wood Products facility does not specify any testing to demonstrate compliance with emissions limits or standards beyond a one-minute duration U.S. Environmental Protection Agency (EPA) Reference Method 22 test to determine the presence or absence of visible emissions. Notification of DEQ and submittal of a test report is not intended for the Method 22 or Method 9 visible emissions observations.

Comment No. 7: Potlatch Clearwater, Lewiston, Idaho

Test Methods

Section 2.11, Table 2.2

For VOCs, Potlatch requests that the following statement be placed under the column "Special Condition:"

VOCs are to measured and expressed as carbon.

(Note: Adoption of this change would make the proposed Clearwater Wood Products permit consistent with the proposed permit for Potlatch's Post Falls Particleboard Facility).

DEQ Response

This request has been incorporated in the permit. Although this particular permit contains no enforceable volatile organic compound (VOC) emission limits, Potlatch is correct in stating that VOCs must be measured and reported on a reference basis. Carbon, propane, or some other material' s molecular weight may be used as a basis for VOC emissions. Table 2.2 has been altered to reflect this request.

Comment No. 8: Potlatch Clearwater, Lewiston, Idaho

Section 2.16

The facility does not have threshold quantities of any substances that are regulated under 40 CFR 68. Therefore this condition should be deleted and the permit should provide a determination of "non-applicability" to provide a permit shield for these requirements.

DEQ Response

The request for deletion of this term and inclusion of a formal DEQ determination of "non-applicability" will not be incorporated. DEQ included Permit Condition 2.16 in direct response to EPA Region 10 comments on this subject. In the event Potlatch Clearwater triggers this requirement, the permit will not need to be reopened. The permit condition only requires that Potlatch maintain an awareness of the materials and thresholds listed in the Chemical Accident Prevention Provisions and the amount of those materials located at the Clearwater facility.

Comment No. 9: Potlatch Clearwater, Lewiston

Maximum Achievable Control Technology (MACT) Standard

Section 2.17

Potlatch requests that the wording of this section be changed to the following:

"If applicable to the facility, the permittee shall comply with the requirements of 40 CFR 63, Subpart DDDD, upon promulgation."

DEQ Response

DEQ will incorporate the following language to clarify the permit condition:

"The permittee shall comply with the requirements of 40 CFR 63, Subpart DDDD, upon promulgation, as applicable to the facility."

Comment No. 10: Potlatch Clearwater, Lewiston, Idaho

3. EMISSIONS GROUP 1-LUMBER DRYING KILN

Section 3.3

This section requires monthly observations of visual emissions. Such observations are unnecessary and inappropriate. Please see Part A of the General Comments Section.

DEQ Response

DEQ's intent of requiring Potlatch to verify compliance with IDAPA 58.01.01.625-Visible Emissions, was twofold. First, the visible emissions standard applies to the drying kilns. Therefore, a method to establish compliance with the opacity standard was required in the permit because this is a source known to emit filterable particulate matter, in addition to condensable particulate matter, from openings that constitute "vents," which makes them point sources. Second, a method to address the compliance demonstration for the process weight rate PM limitation was needed. Since opacity is an indicator, but not a method of measurement with an established correlation with PM emissions, the visible emissions observation was viewed as a suitable surrogate to establish that the kilns were in compliance with visible emissions standard and the process weight particulate matter limitation.

Potlatch is correct in pointing out that if a Method 22 were performed on the drying kilns, Permit Condition 3.3 could be interpreted to require a Method 22 observation on each of the kiln vents. As individual vents they are subject to Section 625 visible emissions limitations; however, since the individual exhaust plumes have a high likelihood of becoming intermingled, the language will be altered to clarify that the Method 22 requirement is applicable to the entire group of kiln vents as a whole and not to individual vents.

A monthly Method 22 observation will be included in the permit. The evaluation should be performed on the entire area of the lumber kiln vents (or to the extent visible from the observation point if intermingling of plumes occurs). Uncombined water is excluded from the 20% opacity standard, and if visible emissions are noted, Potlatch must perform a Method 9 evaluation. The observations may be stepped down to quarterly based upon four consecutive monthly compliance demonstrations. The monitoring frequency revert to monthly following a documented exceedance of the opacity standard.

Comment No. 11: Potlatch Clearwater, Lewiston, Idaho

Section 3.4

This section requires an O&M Manual to be developed for the dry kilns. As explained in the General Comments above, opacity is never a problem for steam-heated dry kilns. Considering these factors, the development of a special O&M manual that addresses opacity is not feasible and would have no environmental benefit. Therefore, this requirement should be deleted.

DEQ's reply to Potlatch's previous comments on this issue indicates that the Agency has to apply "gap-filling"

requirements. Potlatch disagrees. The Agency does not have to include "gapfilling" requirements for units which have no likelihood of exceeding the opacity standard (please refer to the general comments for a discussion of why there is no likelihood of non-compliance).

DEQ Response

This requirement has been deleted from the permit.

Comment No. 12: Potlatch Clearwater, Lewiston, Idaho

4. EMISSIONS UNIT GROUP 2-SAWMILL, SURFACING DEPARTMENT, PROFILES DEPARTMENT, AND SPECIALTIES DEPARTMENT PROCESS MATERIAL HANDLING EQUIPMENT

Table 4.1

Row 1, Log Processing.

The 27-inch debarker was installed in 1993. The 35-inch and 50-inch debarkers were installed in 1987.

DEQ Response

The requested changes have been made. Information concerning the installation date of the 35-inch cutoff saws was not provided.

Comment No. 13: Potlatch Clearwater, Lewiston, Idaho

Row 4, Surfacing Department (planing and fugitive sources)

Delete the word "assume" in the column for Installation Date for CW-C-24 and CW-CY-25. CW-CY-25 was installed in 1990.

DEQ Response

The requested change has been made to the permit. Information concerning the installation date of CW-CY-24 was not provided.

Comment 14: Potlatch Clearwater, Lewiston, Idaho

Rows 5 and 6, Profiling and Specialties Department

The Profiling Department and the Specialties Department are listed as separate processes, but both include Baghouses 4, 5, 6, and 7. As Potlatch stated in the comments dated 7/11/02, it would be preferable to combine these two departments into a single process called "Lewiston Cedar Products," since the listing of two separate processes which use the same emissions units makes the permit awkward and confusing, and it does not reflect the terminology currently used by the facility. Inclusion of the same emissions units in two distinct processes would also make it extremely difficult, if not impossible, to accurately determine hourly emissions, in order to assess compliance with the Process Weight Rate Rule.

IDEQ's reply to Potlatch's 7/11/02 comments about combining the two processes included a request for supporting information, including calculations, process descriptions, certifications, and assumptions. No additional information is necessary for IDEQ to combine the processes, since IDEQ already has all the

necessary information (see the Tier I and Tier II permit applications). Moreover, IDEQ chose to divide the facility into certain "processes," without input from Potlatch. Now based upon these comments, the agency can combine two of these "processes" into a single process. Combining is consistent with mill operation and terminology. Consequently, implementation of the permit is facilitated by Potlatch's proposal and complicated by IDEQ's draft approach.

DEQ's Response

DEQ will incorporate Potlatch's proposal. The individual machining processes are not specifically included in the allowable particulate matter emissions rate anyway. Rather, the cyclones and baghouses, which are considered "processes" or "process equipment," are the points where Potlatch has identified an hourly material throughput for the process weight compliance demonstration. The wood by-product material's weight collected by the cyclones and baghouses has been compared to the allowable process weight rate emission rate.

Potlatch is correct in stating it would be difficult to accurately identify the contribution to the total process weight of material to the shared baghouse between what were formerly identified as the Profiling Department, Specialties Department, and "other source of input material to the baghouse." This could cause potential difficulties in the event DEQ were ever to require Potlatch to perform a Method 5 performance test to accurately identify the actual emissions from one or more of the shared baghouses, and then compare the test's emission rate to an allowable particulate matter emission rate established by the process weight rate regulation. Potlatch's proposed approach has been incorporated into the permit. This area of the facility is identified as "Lewiston Cedar Products."

Comment No. 15: Potlatch Clearwater, Lewiston, Idaho

First 2 rows (Permit Conditions 4.1 and 4.2)
CW-CY-27A and CW-CY-27B must be listed together, since they vent though a common stack. Since CY-27A was installed in 1987, and CY-27B was added in 1995, Permit Condition 4.2 should apply to both cyclones.

DEQ Response

The requested change has been made.

Comment No. 16: Potlatch Clearwater, Lewiston, Idaho

Section 4.4

This section requires monthly observations of visual emissions. Potlatch requests separate requirements for the baghouses and cyclones and a reduced frequency of observation for those units that continually show compliance with the standard. Potlatch also requests credit for past observations which have been required under the existing operating permit (see attached summary of Method 9 observations for the previous two years). Please refer to Part A of the General Comments Section for details.

DEQ Response

DEQ has reviewed the Method 9 information that Potlatch provided and certified as part of the Tier I permit application for the years 1997 through 2002. The requested change has been substantively incorporated in the Tier I operating permit. The request for reduction in observation frequency from monthly to quarterly upon issuance of the permit was not incorporated. While DEQ has concluded that there is sufficient evidence to warrant the reduction in monitoring frequency, the permit requires Potlatch to perform a one-minute Method 22 observation on these sources, rather than a Method 9 observation, as a starting point, so a monthly initial frequency is not overly burdensome for a Tier I operating permit compliance demonstration.

Comment No. 17: Potlatch Clearwater, Lewiston, Idaho

6. EMISSIONS UNIT GROUP 4-INSIGNIFICANT ACTIVITIES

Table 6.1

CW-ME-18, Log Yard Shop Welding Vents, should be deleted, since they are covered by Section 317.01(a). Reference to b.i.(4) is incorrect.

CW-ME-53 should be described as "Sawmill Grinding Room dust collection cyclone (cyclone 33)."

CW-ME-54 should be described as "Sawmill Filing Room dust collection cyclone (cyclone 34)."

CW-ME-55 should be described as "Sawmill Grinding Room dust collection cyclone (cyclone 35)."

DEQ Response

The requested changes have been made.

Comment No. 18: Potlatch Clearwater, Lewiston, Idaho

III. COMMENTS ON THE TECHNICAL MEMORANDUM

In addition to revising the Technical Memorandum to be consistent with the changes made in the permit, the following comments are offered:

Section 1, Purpose

In the second paragraph, the word "dimensional" should be deleted. The mill produces both dimensional lumber and boards.

DEQ Response

The requested change has been made.

Comment No. 19: Potlatch Clearwater, Lewiston, Idaho

In paragraph 2, it is stated that the facility is currently operating as a major source of HAPs, due to methanol emissions. This is incorrect. Using available emission factors, the facility produced 9.0 tons of methanol in the year 2001, even assuming the worst-case emission factor (0.122 lb/MBF) for cedar:

Wood Species	2001 Production (MBF)	Emission Factor (lb/MBF)	Methanol Emissions (tons)
White fir/Hemlock	97,513	0.122	5.95
Western red-cedar	46,299	0.122	2.8
Douglas-fir/Larch	26,223	0.018	0.30
		TOTAL	**9.05**

It is appropriate to state that the facility has the potential to be a major source of HAPs, since the facility is capable of higher production and different species mixes.

DEQ Response

The language in the technical memorandum has been altered, but not exactly as requested. It is accurate to say that based upon the information that Potlatch has provided for 2001 actual emissions of methanol were below 10 tons per year. However, based upon the emissions factors currently available, the lumber drying kilns currently operating at the facility, and the variety of tree species available for processing in the kilns, potential emissions of methanol exceed 10 tons per year. Therefore, Potlatch Clearwater is a major facility, in part, due to the potential to emit methanol—an individual HAP–in a quantity greater than 10 tons per year, in accordance with IDAPA 58.01.01.008.10.a.i.

Comment No. 20: Potlatch Clearwater, Lewiston, Idaho

Section 4. Facility Description

Log Preparation and Sawmill

The second sentence in paragraph 1 should read: "The sawmill prepares rough dimensional and board lumber for processing in the dry kilns. "

DEQ Response

The requested change has been made.

Comment No. 21: Potlatch Clearwater, Lewiston, Idaho

Surfacing Department (Planing)

It is suggested that the first two sentences be changed to read: "The kiln-dried lumber is planed in the Surfacing Department. Particulate matter and PM-10 emissions are created during the planing process."

DEQ Response:

The requested change has been made.

Comment No. 22: Potlatch Clearwater, Lewiston, Idaho

Profiling Department and Specialties Department

As noted in the comments on the draft permit, these two departments are now termed "Lewiston Cedar Products," which should be considered a single "process," relative to the Process Weight Rate Rule. IDEQ may want to explain this relationship here.

DEQ Response

The heading is for an emissions unit group, and not a single "process." The information that Potlatch provided in the Tier I operating permit application listed the weight of material conveyed by each process cyclone or process baghouse. That information demonstrated compliance with the process weight rate particulate matter emissions limits, and is believed to be the more stringent demonstration of compliance with the process weight rate limits. The alternative is to compare the allowable emissions rate that is based on the total weight of the

raw material at the beginning of each emissions unit group's process, calculate that process weight allowable particulate matter emissions limit, and then compare that allowable particulate matter emissions rate to the sum of the estimated actual particulate matter emission rates for all process cyclones and baghouses in that emissions unit group. This approach would still demonstrate compliance with the process weight limitations, because the initial weight of the product plus the byproduct create a much greater process weight than the input variable to the process weight rate equation.

Comment No. 23: Potlatch Clearwater, Lewiston, Idaho

Diesel-fired Emergency Fire Water Pumps and Electrical Generator

It is incorrectly stated here that the engines are tested for approximately 30 minutes, once per month. As correctly stated in Section 6.2, the pumps are operated for approximately 1 hour per week.

DEQ Response

The requested change has been made.

Comment No. 24: Potlatch Clearwater, Lewiston, Idaho

Section 5.3.2, Compliance Demonstration

Potlatch requests that this section of the Technical Memorandum indicate that "appropriate corrective action" can mean no action in certain circumstances. Please refer to the comments for Section 2.8 of the Permit.

Also, this section indicates that a minimum of 30 observations are necessary. Method 9 requires only 24 observations.

DEQ Response

DEQ agrees that under certain circumstances no corrective action may be appropriate under certain circumstances. If this situation occurs, it may be advisable for Potlatch to list or explain why "no corrective action" was necessary, such as that the process units supplying material to the baghouse were checked and determined to be operating normally. Also, for a baghouse, Potlatch mentioned that the presence of any visible emissions indicates there is a problem. If a situation occurs where Potlatch records that no corrective action was performed as a follow-up for a noted visible emission on a baghouse, documenting the logic used to establish that "no corrective action was necessary" could assist during compliance reviews of the semi-annual monitoring reports and annual compliance certification.

Potlatch is correct that EPA Reference Method 9 require 24 individual readings of the opacity level. DEQ often requires permittees to record 30 readings.

Comment No. 25: Potlatch Clearwater, Lewiston, Idaho

6. Regulatory Analysis—Emission Units

The last sentence in the fifth paragraph states: "Process weight limits do not apply to other emissions unit groups at the facility. " Potlatch does not understand the meaning of this sentence and suggests that it be deleted.

DEQ Response

The requested change has been made.

Comment No. 26: Potlatch Clearwater, Lewiston, Idaho

Table 6.1B: Process Cyclone and Baghouse Emissions Units Stack Parameters

Cyclone CY-26 is missing from this table.

DEQ Response

Cyclone CY-26 has been added to the table.

END OF COMMENTS